



PUBLIC NOTICE

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DA 02-570

COMMISSION SEEKS COMMENT ON BT NORTH AMERICA, INC.'S EXPEDITED PETITION FOR CLARIFICATION OF THE CONTRIBUTION OBLIGATIONS OF VIDEO DISTRIBUTION SERVICE PROVIDERS

PLEADING CYCLE ESTABLISHED

CC DOCKET NO. 96-45

Release Date: March 8, 2002

Comment Date: 21 days after publication in the Federal Register

Reply Comment Date: 31 days after publication in the Federal Register

On February 6, 2002, BT North America, Inc. (BT North America) filed a Petition for Clarification of the universal service contribution obligations of non-common carrier video distribution service providers.¹ Specifically, BT North America asks the Commission to clarify that similarly situated entities transmitting video programming on a non-common carrier basis, that do not compete with common carriers, should be exempted from contributing on the basis of revenues derived from these services.² Universal service contributions are based on a contributor's interstate and international revenues derived from domestic end users for telecommunications or telecommunications services.³ The Commission has previously stated that, consistent with section 254(d) of the Act, open video systems, cable leased access, and

¹ See Letter from Kristen Neller Verderame, BT North America, Inc., to William F. Caton, Acting Secretary, Federal Communications Commission, filed February 6, 2002 (*BT Request*). See also, BT North America Comments, submitted June 25, 2001 in *Federal-State Joint Board on Universal Service, 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans With Disabilities Act of 1990, Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, Number Resource Optimization, Telephone Number Portability*, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, Notice of Proposed Rulemaking, 16 FCC Rcd 9892 (2001).

² *BT Request* at 5.

³ 47 C.F.R. § 54.709(a)(1).

direct broadcast satellite (DBS) providers must contribute to universal service for revenues derived from the provision of interstate telecommunications services, but are not required to contribute for revenues derived from interstate telecommunications.⁴ We also note that broadcasters are not required to contribute to universal service.⁵

BT North America asserts that the Commission's rationale for these exemptions should apply equally to its operations as well as other similarly situated entities.⁶ BT North America's Broadcast Division provides "occasional use" and "full time" broadcast services, including uplink, downlink, and transport portions of video transmission services. BT North America asserts that it does not compete with common carriers. Rather, BT North America argues that its competitors include other providers of satellite video transmission, broadcasters, DBS operators, and cable operators.⁷ We seek comment on this petition.

Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 C.F.R. §§ 1.415, 1.419, interested parties may file comments 21 days or fewer from publication in the Federal Register, and reply comments 31 days or fewer from publication in the Federal Register. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24,121 (1998). Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit electronic comments by Internet e-mail. To receive filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply. Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. All filings must be sent to the Commission's Acting Secretary, William Caton, Office of the Secretary, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554.

⁴ *See Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9176 para. 781, 9184 para. 796 (1997), as corrected by *Federal-State Joint Board on Universal Service*, Erratum, CC Docket No. 96-45, FCC 97-157 (rel. June 4, 1997) *aff'd in part, rev'd in part, remanded in part sub nom. Texas Office of Public Utility Counsel v. FCC*, 183 F.3d 393 (5th Cir. 1999) *cert. denied* 2000 WL 684656 (U.S. Sup. Ct. May 30, 2000).

⁵ *See* 47 C.F.R. § 54.706(d); *see also Federal-State Joint Board on Universal Service, Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, End User Common Line Charge*, Fourth Order on Reconsideration in CC Docket No. 96-45, Report and Order in CC Docket Nos. 96-262, 94-1, 91-213, 95-72, 13 FCC Rcd 5318, 5475 para. 283 (1997).

⁶ *BT Request* at 6-7.

⁷ *Id.*

Parties also must send three paper copies of their filing to Sheryl Todd, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, 445 12th Street S.W., Room 5-A422, Washington, D.C. 20554. In addition, commenters must send diskette copies to the Commission's copy contractor, Qualex International, Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554.

Pursuant to section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, this proceeding will be conducted as a permit-but-disclose proceeding in which *ex parte* communications are permitted subject to disclosure.

For further information, contact Paul Garnett of the Accounting Policy Division, Common Carrier Bureau at (202) 418-7400, TTY (202) 418-0484.